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April 9, 2002 LB 1211

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, and despite the lateness in this session, this is a big bill. It envisions something in the neighborhood of \$55 million construction, telecommunications construction, and it envisions service contract...large service contract payments by the state to an interlocal government agency. That means that we will have an ongoing significant commitment to this project over a large number of years. And so I think it's very important that we take a close look at what's being proposed now that it has been formulated, and determine whether, in fact, in this period uncertainty, of financial uncertainty that experiencing, that we want to go through with this commitment at this particular point in time. Frankly, I think the fiscally conservative approach to this ought to be to delay this project for one year to get our bearings in terms of where we are financially next year in the next biennium, see how our revenues are going at that particular point in time, and then if we want to commit to this project, commit to it. Given the way the bill is structured at this moment, I think it is a dangerous proposition to commit to this. And I say this for a number of The first reason is, as I see the bill, there is in the bill no legal mechanism for controlling the overall costs of construction on the project. We should have some way of either knowing exactly what's being built before we commit funds to finance that building. We should have some mechanism for oversight, legal oversight, the legal ability to control things one way or another with respect to the overall construction costs. Second, we don't have any way of knowing right now, nor do we have a means of controlling what might be the allocation of costs as between state agencies, the Game and Parks, the State Patrol, most prominently, and the local political subdivisions who will be our partners in this business. There is nothing in the bill that protects the state in terms of the allocation of costs. And this proposition is supposed to be and hopefully will be a peer partnership where everybody pays their fair share of the costs. It's not, as I understand it, envisioned to be any sort of "subsidation" program whereby the state is picking up the costs for local political subdivisions. But there is nothing in the bill that speaks to the allocation of these costs and there is nothing in the bill that protects the state in that regard. The board of the alliance, which is